

## Standing Accrual Analysis

FY 1997 (in 000's)

20-Jan-97

		FY 96							FY 97
Acct Name	Lotus Line	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avail.
BUCKS COUNTY (212)									
Salary & Wage	S & W - Productive								0
	Professional-Fees Nonsalary								0
	Employee Svs Purchased								0
Patient Care	Med/Surg.		(25)						(25)
	Drugs							125	125
	IV Solutions								0
	Laboratory Supplies								0
	Blood & Blood Products								0
	Other Patient Care Supply								0
Purch. Service	Consulting/Management Fee								0
	Medical/Lab Services								0
	Maintenance Purchased Svs		25	25					50
	Utilities								0
	Equipment Rental		25						25
	Property Rental								0
	Other Purchased Service		(75)	75					0
	Other Purch. - Contracts		65		35		65		165
Admin & Gen'l	Food & Dietary Supply								0
	Housekeeping Supply								0
	Laundry/Linen Supply								0
	Maintenance Supply								0
	Office/Computer Supply								0
	Dues & Subscriptions								0
	Travel, Meetings & Seminars								0
	Postage & Freight								0
	Other Admin & General								0
Other	Unused								0
	Other net activity	435	2	0	0		10		447
Accrued - Misc.	4205001 (212)	435	17	100	35	0	75	125	787
Accr - Vacation	4205100 (212)	0	10	10	10	10	10	10	60
Inven. - Eval.	1500190 (212)	0	10	10	10	10	10	10	60
Incentive	4201030 (212)	0	0	0	0	0	0	0	0
Bottom Line	4205698 (212)	0	0	0	0	0	0	0	0

## Standing Accrual Analysis

FY 1997 (in 000's)

20-Jan-97

		FY 96							FY 97
Acct Name	Lotus Line	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avail.
<u>MGMT SERVICE (215)</u>									
Salary & Wage	S & W - Productive								0
	Professional-Fees Nonsalary								0
	Employee Svs Purchased								0
Patient Care	Med/Surg.								0
	Drugs								0
	IV Solutions								0
	Laboratory Supplies								0
	Blood & Blood Products								0
	Other Patient Care Supply								0
Purch. Service	Consulting/Management Fee				(50)			50	0
	Medical/Lab Services								0
	Maintenance Purchased Svs		75					75	150
	Utilities		75		(100)	75	75	25	150
	Equipment Rental				(25)				(25)
	Property Rental								0
	Other Purchased Service								0
	Other Purch. - Contracts								0
Admin & Gen'l	Food & Dietary Supply								0
	Housekeeping Supply								0
	Laundry/Linen Supply								0
	Maintenance Supply								0
	Office/Computer Supply								0
	Dues & Subscriptions								0
	Travel, Meetings & Seminars								0
	Postage & Freight								0
	Other Admin & General			75					75
	Other	Unused							0
	Other net activity	(114)	114	0	0	9			9
Accrued - Misc.	4205001 (215)	(114)	264	75	(175)	84	75	150	359
Accr - Vacation	4205100 (215)	0	10	10	10	10	10	10	60
Inven. - Eval.	1500190 (215)	0	0	0	0	0	0	0	0
Incentive	4201030 (215)	0	0	0	0	0	0	0	0
Bottom Line	4205698 (215)	0	(160)	(139)	(298)	0	0	0	(597)

## Standing Accrual Analysis

FY 1997 (in 000's)

20-Jan-97

		FY 96							FY 97
Acct Name	Lotus Line	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avail.
ST. CHRIS. (220)									
Salary & Wage	S & W - Productive								0
	Professional-Fees Nonsalary								0
	Employee Svs Purchased								0
Patient Care	Med/Surg.		50		(250)				(200)
	Drugs							100	100
	IV Solutions								0
	Laboratory Supplies								0
	Blood & Blood Products				(50)				(50)
	Other Patient Care Supply		50						50
Purch. Service	Consulting/Management Fee								0
	Medical/Lab Services		25						25
	Maintenance Purchased Svs			25				50	75
	Utilities								0
	Equipment Rental		50	50					100
	Property Rental								0
	Other Purchased Service		50	50					100
	Other Purch. - Contracts								0
Admin & Gen'l	Food & Dietary Supply								0
	Housekeeping Supply								0
	Laundry/Linen Supply								0
	Maintenance Supply								0
	Office/Computer Supply				(50)				(50)
	Dues & Subscriptions								0
	Travel, Meetings & Seminars								0
	Postage & Freight								0
	Other Admin & General								0
Other	Horizon FHBT			211	(211)				0
	Other net activity	75	(34)	0					41
Accrued - Misc.	4205001 (220)	75	191	336	(561)	0	0	150	191
Accr - Vacation	4205100 (220)	0	25	25	25	25	50	0	150
Inven. - Eval.	1500190 (220)	240	20	20	20	20	10	10	340
Incentive	4201030 (220)	0	0	0	0	0	0	0	0
Bottom Line	4205698 (220)	0	0	0	0	0	0	0	0

## Standing Accrual Analysis

FY 1997 (in 000's)

20-Jan-97

		FY 96							FY 97
Acct Name	Lotus Line	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avail.
<u>CENTER CITY (230)</u>									
Salary & Wage	S & W - Productive								0
	Professional-Fees Nonsalary								0
	Employee Svs Purchased								0
Patient Care	Med/Surg.		150	(150)					0
	Drugs								0
	IV Solutions								0
	Laboratory Supplies		100	(50)	(50)				0
	Blood & Blood Products				50				50
	Other Patient Care Supply								0
Purch. Service	Consulting/Management Fee								0
	Medical/Lab Services		250	50		(250)		(50)	0
	Maintenance Purchased Svs		0		50				50
	Utilities				(100)				(100)
	Equipment Rental								0
	Property Rental								0
	Other Purchased Service		25						25
	Other Purch. - Contracts								0
Admin & Gen'l	Food & Dietary Supply								0
	Housekeeping Supply								0
	Laundry/Linen Supply				50				50
	Maintenance Supply								0
	Office/Computer Supply								0
	Dues & Subscriptions								0
	Travel, Meetings & Seminars								0
	Postage & Freight								0
	Other Admin & General								0
Other	Unused								0
	Other net activity	197	(12)	24			(1)	15	223
Accrued - Misc.	4205001 (230)	197	513	(126)	0	(250)	(1)	(35)	298
Accr - Vacation	4205100 (230)	0	50	50	50	50	50	50	300
Inven. - Eval.	1500190 (230)	587	25	25	25	25	25	25	737
Incentive	4201030 (230)	0	0	0	0	0	0	0	0
Bottom Line	4205698 (230)	0	0	0	0	0	0	0	0

Standing Accrual Analysis  
FY 1997 (in 000's)  
20-Jan-97

		FY 96							FY 97
Acct Name	Lotus Line	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avail.
UNIVERSITY (205)									
Salary & Wage	S & W - Productive								0
	Professional-Fees Nonsalary								0
	Employee Svs Purchased								0
Patient Care	Med/Surg.								0
	Drugs								0
	IV Solutions								0
	Laboratory Supplies								0
	Blood & Blood Products								0
	Other Patient Care Supply								0
Purch. Service	Consulting/Management Fee			50	50				100
	Medical/Lab Services			25					25
	Maintenance Purchased Svs			50					50
	Utilities			25					25
	Equipment Rental								0
	Property Rental			100	(100)				0
	Other Purchased Service								0
	Other Purch. - Contracts								0
Admin & Gen'l	Food & Dietary Supply								0
	Housekeeping Supply								0
	Laundry/Linen Supply								0
	Maintenance Supply								0
	Office/Computer Supply								0
	Dues & Subscriptions								0
	Travel, Meetings & Seminars			50	25				75
	Postage & Freight								0
	Other Admin & General								0
Other	Unused								0
	Other net activity	52	(2)	(14)	54	5			95
Accrued - Misc.	4205001 (205)	52	(2)	286	29	5	0	0	370
Accr - Vacation	4205100 (205)	0	40	40	40	40	40	40	240
Inven. - Eval.	1500190 (205)	0	0	0	0	0	0	0	0
Incentive	4201030 (205)	0	0	<del>200</del>	<del>350</del>	0	0	350	<del>1,400</del>
Bottom Line	4205698 (205)	0	0	0	0	0	0	0	0

Debit  
Library  
Amount

Standing Accrual Analysis  
FY 1997 (in 000's)  
20-Jan-97

Acct Name	Lotus Line	FY 96							FY 97
		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avail.
<b><u>Total Allegheny Hospitals</u></b>									
Accrued - Misc.	Slush	726	1,304	427	(188)	(141)	181	1,574	3,883
Accr - Vacation	Vacation	0	120	120	120	120	120	120	720
Inven. - Eval.	Inventory	587	70	70	70	70	70	70	1,007
Accr - Incentive	Incentive	0	0	0	0	0	0	0	0
Exp. to Budget	Bottom Line	0	(160)	(139)	(298)	0	0	0	(597)
		<u>1,313</u>	<u>1,334</u>	<u>478</u>	<u>(296)</u>	<u>49</u>	<u>371</u>	<u>1,764</u>	<u>5,013</u>

**Total St. Christopher's**

Accrued - Misc.	Slush	75	191	336	(561)	0	0	150	191
Accr - Vacation	Vacation	0	25	25	25	25	50	0	150
Inven. - Eval.	Inventory	240	20	20	20	20	10	10	340
Accr - Incentive	Incentive	0	0	0	0	0	0	0	0
Exp. to Budget	Bottom Line	0	0	0	0	0	0	0	0
		<u>315</u>	<u>236</u>	<u>381</u>	<u>(516)</u>	<u>45</u>	<u>60</u>	<u>160</u>	<u>681</u>

**Total University**

Accrued - Misc.	Slush	52	(2)	286	29	5	0	0	370
Accr - Vacation	Vacation	0	40	40	40	40	40	40	240
Inven. - Eval.	Inventory	0	0	0	0	0	0	0	0
Accr - Incentive	Incentive	0	0	700	350	0	0	350	1,400
Exp. to Budget	Bottom Line	0	0	0	0	0	0	0	0
		<u>52</u>	<u>38</u>	<u>1,026</u>	<u>419</u>	<u>45</u>	<u>40</u>	<u>390</u>	<u>2,010</u>

**Total DV OBLIGATED**

Accrued - Misc.	Slush	853	1,493	1,049	(720)	(136)	181	1,724	4,444
Accr - Vacation	Vacation	0	185	185	185	185	210	160	1,110
Inven. - Eval.	Inventory	827	90	90	90	90	80	80	1,347
Accr - Incentive	Incentive	0	0	700	350	0	0	350	1,400
Exp. to Budget	Bottom Line	0	(160)	(139)	(298)	0	0	0	(597)
		<u>1,680</u>	<u>1,608</u>	<u>1,885</u>	<u>(393)</u>	<u>139</u>	<u>471</u>	<u>2,314</u>	<u>7,704</u>

<1,000>  
<340>

<1,000>  
5,304

INVESTMENT GAINS - MCPH	100
- HUH	5,900
- UNIVERSITY	2,100
- SCHC	500
	<u>8,600</u>

SPR. REVENUE ADJ - MCPH	1,113
- ECKINS	1,072
- HUES	200
- SCHC	1,597
- HUH	5,729
	<u>9,711</u>

DEC CRA ADJ - MCPH	500
ECKINS	250
HUES	250
SCHC	1,500
HUH	3,000
	<u>5,500</u>

INVESTMENT GAINS - BONUS DEPRECIATION	1,000
- BONUS DEPRECIATION UTILIZED	600
- CASH CREDITS CREDITS UTILIZED	2,000
- STATE APPROPRIATION DEPRECIATION	(2,563)
	<u>1,037</u>

MCPH - Sidney Hirschman DEPRECIATION	(1,200)
- TERRY HOMES	(1,300)
- INVENTORY ADJ	350
	<u>(2,150)</u>

Branding Accuracy - MCPN 400  
- ECKIN 500  
- Buirs 350  
- SCHE 100  
- HARTMAN 100  
- University 300  
1,750

from \$24,448

Bad Debt 53,000  
Incentive 2,100





THE HOSPITAL & HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA

*Copy: C+Os*

*cc Joe Seharf  
Mike Martin  
Dan Caneblu*

*✓ Anna*

CFO 97-93

December 24, 1997

TO: Chief Financial Officers of HAP Member Hospitals and Health Systems

FROM: Virginia Antonoplos, Director, Health Care Finance Policy

SUBJECT: Medical Assistance Rates

In response to continued pressure from HAP, the Department of Public Welfare has agreed to release certain Medical Assistance (MA) payments that were held pending completion of the Medical Assistance rate negotiations. HAP President Carolyn F. Scanlan notified hospital CEOs by fax on December 18 and 19 of the release of these payments. This memo is to give you further details.

**Medical Education Pass-through Payments:** The department is releasing the MA medical education pass-through payments for October, November and December. These payments will be included as a gross adjustment in the MA Remittance Advice dated December 29, with checks mailed to hospitals on or about January 7. At this time, the department has not agreed to reinstate the regular monthly medical education payments, however we will let you know as soon as that happens.

**Outpatient Disproportionate Share:** These are quarterly payments to high volume MA hospitals. The payment that was due in October will be included in the Remittance Advice dated December 29. The department has not yet agreed to release the payment that would normally be due in January.

**Rural Access Pool:** Twenty-three rural hospitals have been receiving quarterly rural access pool payments under the MA Agreement. The payment due in October will be included in the Remittance Advice of December 29. Again, we will let you know when the department agrees to release the next quarterly payment.

**Community Access Fund (CAF):** The CAF was first funded in fiscal year 1996-97 and goes to 34 urban and rural hospitals that were especially hard hit as a result of the elimination of MA coverage for General Assistance recipients. The Legislature again provided CAF funding for the current fiscal year, with the list of eligible hospitals

*See for, we should  
be receiving  
estimated  
amounts in  
the near  
future*

(OVER)

4750 Lindle Road  
P.O. Box 8600  
Harrisburg, PA 17105-8600  
717 564 9200 Phone  
717 561 5334 Fax  
<http://www.hap2000.org>

RECEIVED

JAN 02 1998

Executive Vice President &  
Chief Financial Officer

CFO Memo 97-93  
December 24, 1997  
Page 2

remaining the same. Payments will go up slightly since the federal matching rate has increased. The department advised HAP that it is taking steps to release the CAF payments, however the process will take longer. The department must first publish a notice in the *Pennsylvania Bulletin* and submit a revised State Plan Amendment to the Health Care Financing Administration. We will notify you as soon as we get an expected payment date from DPW.

**Questions:** If you have any questions about any of these payments or need additional information, please call me at (717) 561-5317, or David Myers at (717) 561-5358.

/kjm

**GRADUATE  
CRA RESERVE ANALYSIS  
SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1240191 CRA Medicare FY91 <sup>(1)</sup>	\$65,000		\$241,000	\$306,000
1240192 CRA Medicare FY92 <sup>(1)</sup>	93,000		159,873	252,873
1240193 CRA Medicare FY93 <sup>(2)</sup>	(500,000)			(500,000)
1240194 CRA Medicare FY94 <sup>(2)</sup>	(500,000)			(500,000)
1240195 CRA Medicare FY95 <sup>(3)</sup>	112,163	(\$112,163)	112,163	112,163
1240196 CRA Medicare FY96	(2,035,780)			(2,035,780)
1240197 CRA Medicare FY97	(770,614)			(770,614)
1240198 CRA Medicare FY98	(144,800)			(144,800)
1240295 CRA Medicaid FY95 <sup>(4)</sup>	(132,777)	41,323	(41,323)	(132,777)
			41,323	
1240296 CRA Medicaid FY96		(41,323)	(465,422)	(465,422)
1240297 CRA Medicaid FY97 <sup>(5)</sup>		860,604	(67,727)	792,877
1240396 CRA Blue Cross FY96	(7,299,670)			(7,299,670)
1240900 CRA Other			393,987	393,987
1240997 CRA Recapture <sup>(6)</sup>	<u>31,500</u>	<u>          </u>	<u>          </u>	<u>31,500</u>
<b>TOTAL:</b>	<b>(\$11,081,978)</b>	<b>\$748,441</b>	<b>\$373,874</b>	<b>(\$9,959,663)</b>

- <sup>(1)</sup> Appeals filed - receivable amounts questionable as portion relating to MA HMO paid claims not available.
- <sup>(2)</sup> Reserve for duplicate Resident counts with HUP.
- <sup>(3)</sup> Receivable very questionable, see Elimination October, 1997.
- <sup>(4)</sup> Additional reserve required due to known liability. See October entry.
- <sup>(5)</sup> Cash receipt of \$860,604 will be recorded in October, 1997.
- <sup>(6)</sup> GHS, Inc. (former Parent Corporation of Graduate) entitled to first \$1.5 million of depreciation recapture per letter of May 5, 1997.

JMS/laa  
s:\linda\wp\scharf\1013971.doc

*Receivable of \$31,500 represents med. invoices posted to balance sheet that relate to recapture transaction. Debit was posted to balance sheet instead of being expensed.*

**JOSEPH M. SCHARF**  
Senior Director, Reimbursement

PHONE (412) 442-2207  
FAX (412) 442-2170


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TO: 7L/DAN DATE: 1/10/97

ATTACH 15 HANDED IN

CRA ANALYSIS T.N.

7/30/97



**HAHNEMANN**  
**CRA RESERVE ANALYSIS**  
**SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1240190 CRA Medicare FY90 <sup>(1)</sup>	\$210,958			\$210,958
1240191 CRA Medicare FY91	1,982,784			1,982,784
1240192 CRA Medicare FY92	2,700,000			2,700,000
1240193 CRA Medicare FY93	1,200,000			1,200,000
1240194 CRA Medicare FY94 <sup>(2)</sup>	(156,600)	(\$243,400)	\$243,400	(156,600)
1240195 CRA Medicare FY95	(3,198,368)	(455,000)	455,000	(3,198,368)
1240196 CRA Medicare FY96	(1,833,400)	(1,452,137)	1,452,137	(1,833,400)
1240197 CRA Medicare FY97 <sup>(3)</sup>	(566,000)	(640,000)	640,000	(566,000)
1240198 CRA Medicare FY98 <sup>(4)</sup>	(582,000)			(582,000)
1240295 CRA Medicaid FY95 <sup>(5)</sup>	(390,784)			(390,784)
1240297 CRA Medicaid FY97			(90,200)	(90,200)
1240298 CRA Medicaid FY98			<u>(120,000)</u>	<u>(120,000)</u>
<b>TOTAL:</b>	<u>(\$633,410)</u>	<u>(\$2,790,537)</u>	<u>\$2,580,337</u>	<u>(\$843,610)</u>

<sup>(1)</sup> Approved Psych Exception Request (Aetna letter - 06/09/97).

<sup>(2)</sup> Reserve for duplicate Resident counts FY93 (\$295,100) and FY94 (\$103,307).

<sup>(3), (4)</sup>	<u>FY97</u>	<u>FY98</u>
Inpatient Reserve	\$480,000	\$120,000
Rate Adjustment	41,000	
Outpatient Reserve	360,000	90,000
Outpatient Lump Sum	(1,000,000)	
Bad Debt Reserve	67,600	15,600
Organ Acquisition Reserve	558,000	195,000
Allied Health	<u>699,400</u>	<u>161,400</u>
<b>TOTAL:</b>	<b>\$1,206,000</b>	<b>\$582,000</b>

<sup>(5)</sup> Repaid to Medical Assistance on 10/13 and 11/03/97.

Joe,  
Return  
original  
to me  
cc: [signature]  
[signature]  
[signature]

**JOSEPH M. SCHARF**  
Senior Director, Reimbursement

PHONE (412) 442-2207

FAX (412) 442-2170

TO: AL/DAN

DATE: 10/27/97

9/30/97

CEA ANALYSIS FOR

PARKVIEW & CITY AVE.

Joe

**PARKVIEW HOSPITAL  
CRA RESERVE ANALYSIS  
SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1230396 Prudent Buyer - Blue Cross FY96	(\$383,969)			(\$383,969)
1230397 Prudent Buyer - Blue Cross FY97	(800,000)			(800,000)
1240193 CRA Medicare FY93 <sup>(1)</sup>	(87,914)			(87,914)
1240194 CRA Medicare FY94 <sup>(1) (2)</sup>	(29,902)	(\$218,417)	(\$95,964)	(344,283)
1240195 CRA Medicare FY95	(318,214)			(318,214)
1240196 CRA Medicare FY96	(329,134)	218,417		(110,717)
1240197 CRA Medicare FY97	(596,765)			(596,765)
1240198 CRA Medicare FY98	(67,400)			(67,400)
1240291 CRA Medicaid FY91 <sup>(2)</sup>			68,196	68,196
1240293 CRA Medicaid FY93 <sup>(2)</sup>			17,051	17,051
1240294 CRA Medicaid FY94 <sup>(3)</sup>	(59,656)		(122,193)	(181,849)
1240295 CRA Medicaid FY95 <sup>(3)</sup>	(87,647)			(87,647)
1240296 CRA Medicaid FY96 <sup>(3)</sup>	(76,484)			(76,484)
1240297 CRA Medicaid FY97 <sup>(3)</sup>	(40,733)			(40,733)
1240391 CRA Blue Cross FY91 <sup>(2)</sup>			5,141	5,141
1240393 CRA Blue Cross FY93 <sup>(2)</sup>			5,576	5,576
1240395 CRA Blue Cross FY95	<u>(83,770)</u>			<u>(83,770)</u>
<b>TOTAL:</b>	(\$2,961,588)	<u>-0-</u>	(\$122,193)	(\$3,083,781)

<sup>(1)</sup> Reserve for duplicate Resident counts.

<sup>(2)</sup> Reclass reserve and write-off CRA's settled in prior years, see October, 1997.

<sup>(3)</sup> Reserve for MA settlement.

**CITY AVENUE HOSPITAL  
CRA RESERVE ANALYSIS  
SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1230396 Prudent Buyer - Blue Cross FY96	(\$416,902)			(\$416,902)
1230397 Prudent Buyer - Blue Cross FY97	(384,705)			(384,705)
1240193 CRA Medicare FY93 <sup>(1)</sup>	(159,176)			(159,176)
1240194 CRA Medicare FY94 <sup>(1)</sup>	(34,500)		\$34,500 43,213	43,213
1240195 CRA Medicare FY95	(500,000)			(500,000)
1240196 CRA Medicare FY96	(64,736)			(64,736)
1240197 CRA Medicare FY97	(140,222)			(140,222)
1240198 CRA Medicare FY98	(49,800)			(49,800)
1240293 CRA Medicaid FY93 <sup>(2)</sup>	(265,500)		(67,704)	(333,204)
1240294 CRA Medicaid FY94	(115,573)			(115,573)
1240295 CRA Medicaid FY95 <sup>(3)</sup>	(58,768)			(58,768)
1240392 CRA Blue Cross FY92			(16)	(16)
1240393 CRA Blue Cross FY93			(64,061)	(64,061)
1240395 CRA Blue Cross FY95			<u>(16,571)</u>	<u>(16,571)</u>
<b>TOTAL:</b>	<u>(\$2,189,882)</u>	<u>-0-</u>	<u>(\$70,639)</u>	<u>(\$2,260,521)</u>

<sup>(1)</sup> Duplicate Resident count liability for FY93 and FY94.

<sup>(2)</sup> PCOM negotiated settlement.

<sup>(3)</sup> Reserve based upon anticipated settlement.



**ELKINS PARK HOSPITAL  
CRA RESERVE ANALYSIS  
SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1240195 CRA Medicare FY95	(\$154,350)			(\$154,350)
1240196 CRA Medicare FY96	(736,970)		(100,000)	(836,970)
1240197 CRA Medicare FY97	(155,390)			(155,390)
1240198 CRA Medicare FY98	(104,000)			(104,000)
1240397 CRA Blue Cross FY97	<u>                    </u>	<u>                    </u>	<u>(107,000)</u>	<u>(107,000)</u>
<b>TOTAL:</b>	(\$1,150,710)		(\$207,000)	(\$1,357,710)

**NOTE: Zero liability anticipated for duplicate I / R counts in FY93 and FY94.**

JMS/laa  
s:\linda\wp\scharf\1013971.doc

*Justu* cc: *Refers*  
*Return original*  
*to me*  
*Heck*  
*Dan*

**JOSEPH M. SCHARF**  
Senior Director, Reimbursement

PHONE (412) 442-2207  
FAX (412) 442-2170

---

TO: AL/DAN DATE: 10/15/97

9/30/97 CIA Analysis for

BCH

MCP

SCHE

*J*

**BUCKS COUNTY HOSPITAL  
CRA RESERVE ANALYSIS  
SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1240194 CRA Medicare FY94			(\$687,017)	(\$687,017)
1240195 CRA Medicare FY95	(\$369,151)			(\$369,151)
1240196 CRA Medicare FY96	(462,388)			(462,388)
1240197 CRA Medicare FY97	(369,116)			(369,116)
1240198 CRA Medicare FY98	(57,300)			(57,300)
1240397 CRA Blue Cross FY97			<u>(57,000)</u>	<u>(57,000)</u>
<b>TOTAL:</b>	<u>(\$1,257,955)</u>	<u>                    </u>	<u>(\$744,017)</u>	<u>(\$2,001,972)</u>

JMS/laa  
s:\linda\wp\scharf\1013971.doc

**M C P**  
**CRA RESERVE ANALYSIS**  
**SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1240192 CRA Medicare FY92 <sup>(1)</sup>	(\$179,232)	\$179,232	(\$179,232)	(\$179,232)
1240194 CRA Medicare FY94 <sup>(2)</sup>	(571,159)	186,812	(186,812)	(521,159)
		(1,335,000)	1,335,000	
1240195 CRA Medicare FY95 <sup>(3)</sup>	(1,377,266)	(366,044)	366,044	(1,377,266)
1240196 CRA Medicare FY96 <sup>(4)</sup>	(1,738,345)	(300,000)	300,000	(1,738,345)
1240197 CRA Medicare FY97	(725,575)			(725,575)
1240198 CRA Medicare FY98	(300,000)			(300,000)
1240294 CRA Medicaid FY94 <sup>(5)</sup>	(66,000)	66,000	(66,000)	(66,000)
1240295 CRA Medicaid FY95 <sup>(6)</sup>	(561,901)	(66,000)	66,000	(561,901)
1240390 CRA Blue Cross FY90 <sup>(7)</sup>	(354,600)			(354,600)
1240397 CRA Blue Cross FY97			<u>119,000</u>	<u>(119,000)</u>
<b>TOTAL:</b>	<b>(\$5,824,078)</b>	<b>(\$1,635,000)</b>	<b>\$1,516,000</b>	<b>(\$5,943,078)</b>

- <sup>(1)</sup> Reclassify for FY95 exposure, October, 1997.
- <sup>(2)</sup> Reserve for FY93 and FY94 duplicate Resident count - \$334,347. Balance \$186,812 reclassified October, 1997 for FY95 exposures.
- <sup>(3)</sup> Under-reserved with potential exposure of additional \$1,335,000.
- <sup>(4)</sup> Under-reserved with potential exposure of additional \$300,000, not including PIP.
- <sup>(5)</sup> Reclass October, 1997 to cover balance of FY95 MA liability.
- <sup>(6)</sup> Reclass October, 1997 to cover balance of FY95 MA liability.
- <sup>(7)</sup> Reserve to cover exposure from FY89 and FY90 - \$177,300 x 11 months totaling \$1,950,300.

JMS/laa  
s:\linda\wp\scharf\1013971.doc

**SCHC**  
**CRA RESERVE ANALYSIS**  
**SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1240191 CRA Medicare FY91 <sup>(1)</sup>	\$64,442	\$131,456	(\$131,456)	\$64,442
1240194 CRA Medicare FY94				-0-
1240195 CRA Medicare FY95	(415,885)			(415,885)
1240196 CRA Medicare FY96				-0-
1240197 CRA Medicare FY97				-0-
1240198 CRA Medicare FY98				-0-
1240291 CRA Medicaid FY91 <sup>(2)</sup>	(210,000)			(210,000)
1240294 CRA Medicaid FY94			(171,830)	(171,830)
1240295 CRA Medicaid FY95 <sup>(3)</sup>	370,000			370,000
1240296 CRA Medicaid FY95 <sup>(2)</sup>	<u>(500,000)</u>			<u>(500,000)</u>
<b>TOTAL:</b>	<b>(\$691,443)</b>	<b>\$131,456</b>	<b>(\$303,286)</b>	<b>(\$863,273)</b>

<sup>(1)</sup> TEFRA Exception Requests approved by HCFA - FY91 \$57,863; FY93 \$138,035. Payment should be received in November, 1997.

<sup>(2)</sup> MA Coding Audit reserve per Evan Fox.

<sup>(3)</sup> Anticipated MA settlement. Audit started 10/6/98.

**NOTE:** Duplicate Resident counts for FY93 and FY94 (\$4,298) not recorded.

**ALLEGHENY GENERAL HOSPITAL  
CRA RESERVE ANALYSIS  
SEPTEMBER 30, 1997**

	<u>Designated</u>	<u>Unrecorded</u>	<u>Cushion</u>	<u>Total</u>
1240190 CRA Medicare FY90 <sup>(1)</sup>		\$29		\$29
1240191 CRA Medicare FY91 <sup>(1)</sup>				-0-
1240193 CRA Medicare FY93 <sup>(2)</sup>		(156,000)	\$156,000	-0-
1240192 CRA Medicare FY92	\$501,500			501,500
1240195 CRA Medicare FY95 <sup>(1) (8)</sup>	(3,505,962)			(3,505,962)
			(2,960,903)	
1240196 CRA Medicare FY96 <sup>(5)</sup>	(3,703,403)		(2,500,000)	(9,164,306)
1240197 CRA Medicare FY97 <sup>(6)</sup>	(2,939,078)			(2,939,078)
1240198 CRA Medicare FY98 <sup>(7)</sup>	(725,000)			(725,000)
1240293 CRA Medicaid FY93			(1,025,790)	(1,025,790)
1240295 CRA Medicaid FY95 <sup>(4)</sup>	(1,208,000)			(1,208,000)
1240391 CRA Blue Cross FY91	131,199			131,199
1240392 CRA Blue Cross FY92	(1,400,000)			(1,400,000)
1240393 CRA Blue Cross FY93	(550,000)			(550,000)
1241394 CRA Blue Cross-ANI FY94 <sup>(3)</sup>				-0-
<b>TOTAL:</b>	( \$13,398,744 )	( \$155,971 )	( \$6,330,693 )	( \$19,885,408 )

<sup>(1)</sup> Settled with NPR September, 1997.

<sup>(2)</sup> Duplicate Resident count liability FY93 and FY94.

<sup>(3)</sup> Written off - September, 1997.

<sup>(4)</sup> Cost Report Reserve (\$100,000) ; MA Coding Audit FY93 - FY97 (\$1,108,000).

<sup>(5)</sup> Initial CRA	(\$5,589,545)	<sup>(6)</sup> CCC Reserve	(\$149,000)	<sup>(7)</sup> CCC Reserve	(\$25,000)
O/P Reserve	(396,000)	O/P	(2,162,000)	O/P Reserve	(700,000)
CCC Reserve	(401,000)	Pass-Thru Reserve	(628,078)	<b>TOTAL:</b>	(\$725,000)
Pass-Thru Reserve	(418,000)	<b>TOTAL:</b>	(\$2,939,078)		
	(6,804,545)				
Applied To Other Years	601,142				
ALS Reserve	(2,960,903)				
<b>TOTAL:</b>	(\$9,164,306)				

<sup>(8)</sup> Repay in October.

**6/30/97 Pension Liability Analysis**

	<u>Graduate DB Pension</u>	<u>Zurbrugg DB Pension</u>
Liability per G/L	2,698,857	1,743,582
Required (asset)/liability	<u>(515,134)</u>	<u>298,618</u>
Over (Under) Accrual	3,213,991	1,444,964

**GHS RE IBNR Liability (12/31/96)**

Note: excludes Community General

	IBNR for Captive
Liability per G/L	7,363,327
Required (asset)/liability	<u>4,203,291</u>
Over (Under) Accrual	3,160,036

Some of this may be used  
to cover ASAC liability  
shortfall and HAN's  
shortfall on HAN's books



**AUMC - Forbes****Summary of Net Pension, Malpractice, & Workers Compensation Reserves  
06/30/97**

<u>Account Description</u>	<u>06/30/97 Balance</u>
Deposit - Workers Comp Trust	\$266,855.73
Accrued Workers Comp	<u>(5,700,000.00)</u>
<b>NET WORKERS COMP LIABILITY</b>	<b><u>(5,433,144.27)</u></b>
Prepaid Pension	64,890.33
Accrued Pension	<u>(5,237,789.15)</u>
<b>NET PENSION LIABILITY</b>	<b><u>(5,172,898.82)</u></b>
Accrued Malpractice Claims	<u>(1,707,849.00)</u>
<b>NET MALPRACTICE LIABILITY</b>	<b><u>(1,707,849.00)</u></b>
<b>TOTAL NET LIABILITY @ 6/30/97</b>	<b><u>(\$12,313,892.09)</u></b>

**AUMC - Allegheny Valley Hospital**  
**Summary of Net Pension, Malpractice, & Workers Compensation Liabilities**  
**06/30/97**

<u>Account Description</u>	<u>06/30/97 Balance</u>
AVH PREPAID WORKERS COMP	\$42,227.60
AVH DEPOSIT - WORKERS COMP TRUST	41,960.29
AVH RESERVE FOR WORKERS COMP.	(63,440.49)
AVH RESERVE WORKERS COMP - SELF	<u>(2,500,000.10)</u>
<b>NET WORKERS COMP LIABILITY</b>	<b><u>(\$2,479,252.70)</u></b>
AVH PREPAID PENSION	\$264,996.00
AVH ACCRUED PENSION (Defined Benefit Plan Only)	<u>(1,777,879.00)</u>
<b>NET PENSION LIABILITY</b>	<b><u>(\$1,512,883.00)</u></b>
AVH ACCRUED MALPRACTICE CLAIM	<u>(\$366,000.00)</u>
<b>NET MALPRACTICE LIABILITY</b>	<b><u>(\$366,000.00)</u></b>
<b>TOTAL NET LIABILITY @ 6/30/97</b>	<b><u>(\$4,358,135.70)</u></b>

**CUSHION SUMMARY  
AUMC  
JUNE 30, 1997**

**07/22/97  
02:46 PM**

**CUSHIONS**

<u>PURPOSE</u>	<u>6/30/97 BALANCE</u>
FORBES	
CRA reserves	\$7,800,000
General Cushion	<u>10,400,000</u>
FORBES - SUBTOTAL	18,200,000
ALLEGHENY VALLEY	
Bad Debt & CRA reserves	1,800,000
General Cushion	<u>855,000</u>
ALLEGHENY VALLEY - SUBTOTAL	<u>2,655,000</u>
TOTAL AUMC CUSHIONS	<u><u>\$20,855,000</u></u>

P:\123\FHSFY97\CUSHAUMC.WK4

**AHERF**  
**CRA RESERVES AS OF FEBRUARY 28, 1997**

**APRIL 7, 1997**

		<u>Designated</u> <u>Reserve</u>	<u>Non</u> <u>Recorded</u> <u>Reserve</u>	<u>Cushion</u>	<u>Total</u>
<b>BCH</b>					
1240194	Medicare FY94	\$ 246,000		\$441,017	\$ 687,017
1240195	Medicare FY95	334,151		35,000	369,151
1240196	Medicare FY96	400,000		62,388	462,388
1240197	Medicare FY97	<u>152,800</u>		<u>        </u>	<u>152,800</u>
<b>TOTAL:</b>		<b>\$1,132,951</b>		<b>\$538,405</b>	<b>\$1,671,356</b>

<b>EPH</b>					
1240191	Medicare FY91	\$		\$128,169	\$ 128,169
1240195	Medicare FY95	154,350			154,350
1240196	Medicare FY96	836,970		200,000	1,036,970
1240197	Medicare FY97	200,000			200,000
1240294	MA FY94	<u>600</u>		<u>26,621</u>	<u>27,221</u>
<b>TOTAL:</b>		<b>\$1,191,920</b>		<b>\$354,790</b>	<b>\$1,546,710</b>

<b>HUH</b>					
1240190	Medicare FY90	\$(2,673,302)	\$(4,144,264)	\$4,144,264	\$(2,673,302)
1240191	Medicare FY91	(1,982,784)			(1,982,784)
1240192	Medicare FY92	(2,700,000)			(2,700,000)
1240193	Medicare FY93	(1,200,000)			(1,200,000)
1240194	Medicare FY94	478,470	2,000,000	(2,000,000)	478,470
1240195	Medicare FY95	3,198,368	454,632	(454,632)	3,198,368
1240196	Medicare FY96	1,833,400	(500,000)	500,000	1,833,400
1240197	Medicare FY97	1,091,000			1,091,000
1240294	MA FY94	500,000			500,000
1240294	MA FY95	151,200	369,600	(369,600)	151,200
1240296	MA FY96			480,000	480,000
1240297	MA FY97			<u>320,000</u>	<u>320,000</u>
<b>TOTAL:</b>		<b>\$(1,303,648)</b>	<b>\$(1,820,032)</b>	<b>\$2,620,032</b>	<b>\$ (503,648)</b>

*Reserve Taken From this schedule*

	<u>FEB</u>	<u>APRIL 4</u>	<u>APRIL</u>
MCP	1,000	1,000	--
EPH	--	500	--
SCHE	--	250	--
HUH	--	4,100	500

**AHERF**  
**CRA RESERVES AS OF FEBRUARY 28, 1997**

**MARCH 21, 1997**

**Page #Two.**

		<b>Designated Reserve</b>	<b>Non Recorded Reserve</b>	<b>Cushion</b>	<b>Total</b>
<b><u>MCP</u></b>					
1240192	Medicare FY92	\$ 308,167	\$	\$✓	\$ 308,167
1240193	Medicare FY93			✓ 871,065	871,065
1240194	Medicare FY94		521,159	1,000,000	1,521,159
1240195	Medicare FY95	1,321,056			1,321,056
1240196	Medicare FY96	1,738,345	233,000	(233,000)	1,738,345
1240197	Medicare FY97	800,000			800,000
1240294	MA FY94	264,000			264,000
1240295	MA FY95	<u>561,901</u>			<u>561,901</u>
<b>TOTAL:</b>		<b>\$4,993,469</b>	<b>\$754,159</b>	<b>\$1,638,065</b> <i>638,065</i>	<b>\$7,385,693</b> <i>6,758,647</i>
<b><u>SCHC</u></b>					
1240191	Medicare FY91	\$ (64,442)	\$ (86,703)	\$ 86,703	\$ (64,442)
1240194	Medicare FY94		(116,976)		(116,976)
1240195	Medicare FY95	544,138		(83,648)	460,490
1240196	Medicare FY96		(240,042)	3,000	(237,042)
1240197	Medicare FY97		150,000	(150,000)	-0-
1240294	MA FY94	(900,000)	(85,000)	171,164	(813,836)
1240295	MA FY95		(393,000)	773,000	380,000
1240296	MA FY96		<u>(196,707)</u>		<u>(196,707)</u>
<b>TOTAL:</b>		<b>\$(420,304)</b>	<b>\$(968,428)</b>	<b>\$800,219</b>	<b>\$(588,513)</b>

*Taken for February 1997*

*128,935*  
*871,065*  
*521,159*

# AHERF

*Allegheny Health, Education  
and Research Foundation*

Suite 2900, Fifth Avenue Place  
Pittsburgh, Pennsylvania 15222

## MEMORANDUM

TO: Joe Dionisio  
Senior Vice President and CFO, AGH

Charles P. Morrison  
Senior Vice President and CFO

FROM: Steve Spargo SHS  
Senior Vice President, Corporate Support Services

DATE: March 6, 1997

SUBJECT: Increased Medicare GME Payments

HCFA recently issued clarifying regulations which, at least for fiscal years 1996 and 1997, restored an additional one year in the determination of initial residency periods (which means that we can still count residents during the year immediately following their prescribed residency periods as 1.0 FTE as opposed to .5 FTE). Since this clarification is retroactive to fiscal year 1996, we can expect the settlement of our 1996 cost reports to yield the following favorable adjustments:

AGH	\$375,000
HUH	\$500,000
MCPH	\$225,000

These reserves, which are available for income recognition at your discretion, should also be replicated in fiscal year 1997, assuming that our mix of residents is fairly constant.

SHS:dlg  
030697.3

cc: David McConnell  
Al Adamczak  
Dan Cancelmi  
Joe Scharf

*# 3/27/97*  
*Hahnemann file*  
*cc: Steve*

ALLEGHENY HEALTH EDUCATION AND RESEARCH FOUNDATION

INTERNAL MEMORANDUM

DATE: March 25, 1997

TO: John P. Ellsworth  
Manger, Financial Services

FROM: Kelly L. Mertz *KLM*  
Senior Treasury Analyst

RE: Deposit of checks received from Pennsylvania Higher Educational Facilities Authority (PHEFA) related to Hahnemann University College Revenue Bonds, Series 14

Enclosed please find four (4) checks in the amounts of \$87,726.85, \$91,273.31, 8,974.56, and \$104,265.34 (totaling \$292,240.06) made payable to Hahnemann University. For your information, I have also enclosed correspondence received from PHEFA which provides an explanation of the nature of these surplus funds.

Please handle the deposit of these checks and the coding to the appropriate general ledger accounts.

Thank you for your cooperation.

Ellsworth\klm

cc: Dan Cancelmi ✓  
Susan M. Gilbert  
Angela B. Maher  
Michael P. Martin

*\$292,240 - Total*

*STEVE,*

*This is a little "window" that  
I have asked Jack to hang up  
as a cushion until such time  
that we need it.*

*Alan*  
*I think we may need  
it whenever and where ever  
you see fit.*

*Steve*

*Jan*

THE HOSPITAL ASSOCIATION OF PENNSYLVANIA

FAX (717) 561-5334

TO: Chief Executive Officers of Community Access Fund Hospitals

FROM: Carolyn F. Scanlan, President and Chief Executive Officer

SUBJECT: COMMUNITY ACCESS FUND PAYMENT

Since that time, the Department of Public Welfare (DPW) has been working with the state legislature to determine which hospitals should receive funding from the CAF. A policy was finally established under which 34 hospitals qualify for the CAF. The Fund will make payment to (1) the top 16 hospitals with the greatest GA losses, either in absolute dollars or as a percentage of net patient revenues, except that hospitals receiving certain levels of MA medical education payments are not included; and (2) 18 rural hospitals qualifying for MA inpatient disproportionate share under the rural hospital method. The \$21.2 million will be allocated based on each hospital's GA losses as a percentage of the GA losses for all qualifying hospitals. DPW's data is being used for the calculation. Attached to this memo is a sheet showing the amount of your hospital's payment.

(Over)

RECEIVED

APR 7 1997

**Executive Vice President &  
Chief Financial Officer**



**COMMUNITY ACCESS FUND PAYMENT**

---

Hospital Name: ALLEGHENY GENERAL HOSPITAL

COMMUNITY ACCESS PAYMENT

**\$1,353,869.82**

STATE SHARE =

**\$638,349.62**

FEDERAL SHARE =

**\$715,520.20**

**COMMUNITY ACCESS FUND PAYMENT**

---

Hospital Name: **GRADUATE HOSPITAL**

COMMUNITY ACCESS PAYMENT

**\$860,604.15**

STATE SHARE =

**\$405,774.86**

FEDERAL SHARE =

**\$454,829.29**

DUANE, MORRIS & HECKSCHER

ATTORNEYS AT LAW

122 E 42nd STREET, SUITE 3300  
NEW YORK, NY 10168

305 NORTH FRONT STREET  
HARRISBURG, PA 17108-1003

735 CHESTERBROOK BOULEVARD  
WAYNE, PA 19087-5638

968 POSTAL ROAD, SUITE 200  
ALLENTOWN, PA 18109-0400

ONE LIBERTY PLACE  
PHILADELPHIA, PA 19103-7396  
(215) 979-1000

FAX  
(215) 979-1020

1667 K STREET N.W., SUITE 700  
WASHINGTON, D.C. 20006-1608

1201 MARKET STREET, SUITE 1500  
WILMINGTON, DE 19801-0195

314 S. STATE STREET  
DOVER, DE 19901

51 HADDONFIELD ROAD, SUITE 340  
CHERRY HILL, NJ 08002-4810

ONE GATEWAY CENTER, SUITE 1210  
NEWARK, NJ 07102

ROLAND MORRIS  
DIRECT DIAL: (215) 979-1076

February 24, 1997

Carolyn Scanlan,  
President and Chief Executive Officer  
The Hospital and Healthsystem Association of Pennsylvania  
4750 Lindle Road  
Harrisburg, PA 17105-8600

Re: Community Access Fund

Dear Ms. Scanlan:

The Hospital and Healthsystem Association of Pennsylvania ("HAP") has requested an opinion from Duane, Morris & Heckscher concerning the Pennsylvania Department of Public Welfare's ("DPW") ability to distribute approximately \$10 million (state funds) in Community Access Fund monies ("CAF monies") to eligible hospitals. According to HAP's understanding, DPW believes that it is prohibited from distributing CAF monies under the Agreement Among DPW and Commonwealth Hospital Signatories Regarding Medical Assistance Rates, Payments and Payments Methods for Fiscal Years 1996 and 1997 (the "Agreement"). The Agreement does not specifically prohibit the distribution of CAF monies.

It is our understanding that CAF monies were appropriated under the most recent Commonwealth budget to assist certain hospital institutions in the delivery of care to former General Assistance ("GA") recipients as a result of the withdrawal of funding for services provided to them. The Agreement, which was finalized last March, covers very specific Medical Assistance ("MA") rates and payments for acute care, psychiatric and rehabilitation providers, including, and limited to, base rates, capital costs, direct medical education payments, disproportionate share payments, and cost outliers, See Agreement, Table of Contents. The Agreement does not, and was never intended to, cover every type of payment made by DPW's MA Program to hospitals.

Carolyn Scanlan  
February 24, 1997  
Page 3

For these reasons, we conclude that the Agreement does not specifically prohibit DPW from distributing CAF monies to eligible hospitals. Of course, please do not hesitate to call me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Roland Morris".

Roland Morris

for DUANE, MORRIS & HECKSCHER

RM:v

PH2\174714 1

**ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
MEMORANDUM**

**TO:** Kim Wilkinson, Supervisor, Cashiers/Financial Control

**FROM:** Frederick J. Oehling, Director, Reimbursement *F.J.O.*

**DATE:** March 20, 1997

**RE:** Allegheny University Hospital - Hahnemann FY89 Medicare Reopening Settlement

Aetna has informed us of a \$1,972,239 reopening settlement due to the hospital for FY89. The payment will be included in a remittance advice within thirty (30) days. Please make the necessary arrangements to have this settlement recorded to the following account:

<u>Account Name</u>	<u>Account Number</u>	<u>Amount</u>
CRA Medicare-FY 90 and Prior	1240190-95000230	\$1,972,239

If you have any questions, please contact me at extension 2254. Thank you for your help.

cc: C. Bailey  
J. Scharf  
L. McClements  
D. Cancelmi

S:\wp\hah\mc88reop



Medicare Provider Audit/Reimbursement  
501 Office Center Drive  
Ft. Washington, PA 19034  
215-643-7200

**Medicare**

March 14, 1997

NOTICE OF CORRECTION  
PROGRAM REIMBURSEMENT  
SETTLEMENT NO.

Mr Stephen Spargo, Senior Vice Pres.  
HAHNEMANN UNIVERSITY HOSPITAL  
AHERF  
320 East North Avenue  
Pittsburgh, PA 15212

RE: Provider: HAHNEMANN UNIVERSITY HOSPITAL  
Provider Number: 390051  
Fiscal Year End: 06/30/89  
Subunits: 397241 39S051 39T051

Dear Mr Spargo:

- ( ) Correction to: Notice of Amount of Program Reimbursement  
Dated:
- ( X ) Correction to: Notice of Correction Program Reimbursement  
Dated: 07/30/93

In accordance with 42 CFR 405.1803, the above shows an amount due the  
Provider as follows:

Net Amount Due the Provider: \$ 1,972,239

See Attached Transaction Summary

The balance due or appropriate credit will be issued within the next  
30 days on a claims remittance advice.

This settlement is subject to future Health Care Financing  
Administration clarifications and regulations which may retroactively  
affect it, and it may be revised at any time within the three-year  
period from the date of this notice.

**HARNEMANN UNIVERSITY HOSPITAL**  
390051 06/30/89

The enclosures listed below are an integral part of this notice:

1. Right of Appeal
2. Adjustment Report Dated: March 14, 1997
3. Assessment of Interest--Public Law 97-248
4. Notice of Amount of Program Reimbursement Exhibit(s)  
(Applicable only to periods subject to PPS)

Should you have questions regarding the payment or the amount of overpayment, please contact your representative at our office.

Sincerely,



Dennis J. Phipps, Manager  
Provider Audit/Reimbursement  
Aetna Life Insurance Company

DJP:gmi  
Attachments  
CORPMT

## TRANSACTION SUMMARY

HAHNEMANN UNIVERSITY HOSP

Provider #: 390051

Fye : 06/30/89

( x ) Audit Settlement

( ) No Audit Settlement

Provider Number(s):	390051	397241	39S051	39T051
DETERMINATION	2,423,149	78,611	13,543	(13,588)
Event	Date			
Tent #1	09/29/89	0	0	0
NPR	08/30/91	1,800,318	(41,055)	(80,433)
Reop #1	11/01/91	2,400	0	(1,346)
Reop #2	07/30/93	(1,284,061)	(37,556)	95,765
Tent #2	11/09/94	(1,100,000)	0	0
Reop #3	03/14/97	1,841,806	0	27,529
				102,904

Net Amount Due the Provider: \$ 1,972,239



## Vacation Accrual 1997

10-Mar-97

06:28 PM

Corp #	CC#	@06/96	@09/96	@11/96	@02/97	G/L @ 02/97	(Exp) Inc G/L Diff. @ 02/97
205	Total	1,845,735.88	1,644,296.59	1,777,149.64	2,805,259.28		
206	Total	846,661.95	803,201.71	895,945.11	0.00		
	Sub Total	2,892,397.81	2,447,498.30	2,673,094.75	2,805,259.28		
	Unknown	(70,420.24)	0.00	0.00	0.00		
	Grants 205	(352,587.34)	(321,490.82)	(342,809.58)	(506,580.36)		
	Grants 206	(161,679.76)	(152,254.70)	(154,816.88)	0.00		
	MCPHU	2,107,710.27	1,973,752.78	2,175,468.29	2,298,678.92	2,427,710	129,031.08
210	Total	3,481,110.91	2,964,648.22	2,991,011.50	2,930,062.99		
	Needed Y/E	0.00	635,063.00	690,589.91	874,163.17		
	Grants 210	(6,312.15)	(4,912.88)	(6,802.41)	(9,427.16)		
	MCC	3,474,798.76	3,594,798.34	3,674,799.00	3,794,799.00	3,794,799	0.00
211	EPC	922,839.67	819,706.04	884,129.06	959,621.16	1,002,840	43,218.84
212	BCC	809,187.08	686,181.49	750,062.18	794,680.23	889,187	94,506.77
215	MS	722,296.68	512,203.72	642,732.66	813,266.60		
	Golf	0.00	0.00	0.00	0.00		
	MS	722,296.68	512,203.72	642,732.66	813,266.60	802,297	(10,969.60)
220	SCHC	1,974,244.63	1,609,538.74	1,735,657.14	1,887,952.03		
	Temple 51309820	88,055.50	77,621.13	84,175.36	94,484.82		
	Grants 220	(61,670.42)	(54,108.18)	(57,034.57)	(47,995.12)		
	Horizon 50722020	(11,357.59)	(10,182.08)	(5,949.24)	0.00		
	SCHC	1,989,272.12	1,622,869.61	1,756,848.69	1,934,441.73	2,200,631	266,189.27
221	Horizon	11,357.59	10,182.08	5,949.24	0.00	0	0.00
230	HUH	3,972,657.58	3,483,347.47	3,858,767.12	4,316,205.74		
	Grants	(70,734.77)	(58,632.20)	(57,838.96)	(58,208.30)		
	HUH	3,901,922.81	3,424,715.27	3,800,928.16	4,257,997.44	4,301,923	43,925.56
	Total	13,939,384.98	12,644,389.33	13,690,917.28	14,853,485.08	15,419,367	565,901.92

**ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
MEMORANDUM**

*3/21/97 ✓*  
*RETURN this to ME ATOR Yr name Robin's copy.*  
*cc: Row*  
*Thomas*  
*Jan*

**TO:** Kim Wilkinson, Supervisor, Cashiers/Financial Control  
**FROM:** Frederick J. Oehling, Director, Reimbursement *F.J.O.*  
**DATE:** March 13, 1997  
**RE:** Allegheny University Hospital - Hahnemann FY90 Medicare Reopening Settlement

Aetna has informed us of a \$2,128,999 reopening settlement due to the hospital for FY88. The payment will be included in a remittance advice within thirty (30) days. Please make the necessary arrangements to have this settlement recorded to the following account:

<u>Account Name</u>	<u>Account Number</u>	<u>Amount</u>
CRA Medicare-FY 90 and Prior	1240190-95000230	\$2,128,999

If you have any questions, please contact me at extension 2254. Thank you for your help.

cc: C. Bailey  
J. Scharf  
L. McClements  
D. Cancelmi

S:\wp\hah\mc88reop

*Debbie, Review this to ME [Signature] 3/4/97 ✓ CC: STEVE*

**ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
MEMORANDUM**

**TO:** Kim Wilkinson, Supervisor, Cashiers/Financial Control  
**FROM:** Frederick J. Oehling, Director, Reimbursement *F.J.O.*  
**DATE:** March 17, 1997  
**RE:** Allegheny University Hospital - Hahnemann MA Outlier Appeal

*STEVE,  
Apparently the "Party Line" from the CBA Forum is that this outlier payment is needed by the CRA Accounting since the CRA Revenues are a tad bit low.  
After re-phrasing the question, Fred finally confessed. I guess we should have this on our own cushion*

Jeff Tomchik has been informed that a MA outlier in the amount of approximately \$294,629 due to the hospital as part of a legal settlement with MA will be included in a remittance advice sometime between 3/17/97 and 3/24/97. Please make the necessary arrangements to have this settlement recorded to the following account:

<u>Account Name</u>	<u>Account Number</u>	<u>Amount</u>
CRA Medicaid - FY 95	1240295-95000230	\$294,629

If you have any questions, please contact me at extension 2254. Thank you for your help.

cc: C. Bailey  
J. Scharf  
L. McClements  
D. Cancelmi

*Analysis that we said we were going to prepare and compare to January's analysis. Hopefully January doesn't get upset that I asked Fred about this.*

S:\wp\hah\maoutapp

HAHNEMANN UNIVERSITY HOSPITAL  
 MEDICAID NEONATAL COST OUTLIER CASES (TRACH DIAGNOSIS)  
 LAUSERS\MCNAMAC\WKS\MISC\MANEONAT.WK1  
 20-Mar-95

DISCHARGE DATE 10/01/90 TO 6/30/93

PATIENT NUMBER	PATIENTNAME	BIRTH DATE	BL DRG	PRIN DRG	ADM DATE	DSCI DATE	LOS	CHARGES	DISCH DISP	EXPECTED BASE PAYMENT	EXPECTED COST OUTLIER PAYMENT
30470736	STAUBACK,DIAMOND	10/07/92	483	483	10/07/92	04/07/93	182	\$980,014	D7N	\$2,422	\$294,629

Note: The Expected Base Payment was calculated on DRG 383. Spoke with Patient Accounting on March 8, 1995, and confirmed that to date, no payment has been received on this account. On January 3, 1995, Hahnemann sent appeal letter to Margo Hoffman at the State.

OK 3/11/97  
✓ CRA file

cc: Robin

**ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
MEMORANDUM**

**TO:** Kim Wilkinson, Supervisor, Cashiers/Financial Control  
**FROM:** Frederick J. Oehling, Director, Reimbursement *F.J.O.*  
**DATE:** March 4, 1997  
**RE:** Allegheny University Hospital - Hahnemann FY90 Medicare Reopening Settlement

---

On February 24, 1997, Aetna informed us of a \$2,716,328 reopening settlement due to the hospital for FY90. The payment will be included in a remittance advice within thirty (30) days of the date of the Notice. Please make the necessary arrangements to have this settlement recorded to the following account:

<u>Account Name</u>	<u>Account Number</u>	<u>Amount</u>
CRA Medicare-FY 90 and Prior	1240190-95000230	\$2,716,328

If you have any questions, please contact me at extension 2254. Thank you for your help.

cc: C. Bailey  
J. Scharf  
L. McClements  
D. Cancelmi

S:\wp\hah\mc90reop



Medicare Provider Audit/Reimbursement  
501 Office Center Drive  
Ft. Washington, PA 19034  
215-643-7200

**Medicare**

REC'D FEB 28 1997

February 24, 1997

NOTICE OF CORRECTION  
PROGRAM REIMBURSEMENT  
SETTLEMENT NO.

Mr Stephen Spargo, Senior Vice Pres.  
HAHNEMANN UNIVERSITY HOSPITAL  
AHERF  
320 East North Avenue  
Pittsburgh, PA 15212

RE: Provider: HAHNEMANN UNIVERSITY HOSPITAL  
Provider Number: 390051  
Fiscal Year End: 06/30/90  
Subunits: 397241 398051 39T051

Dear Mr Spargo:

- ( X ) Correction to: Notice of Amount of Program Reimbursement  
Dated: 07/30/93
- ( ) Correction to: Notice of Correction Program Reimbursement  
Dated:

In accordance with 42 CFR 405.1803, the above shows an amount due the  
Provider as follows:

Net Amount Due the Provider: \$ 2,716,328

See Attached Transaction Summary

The balance due or appropriate credit will be issued within the next  
30 days on a claims remittance advice.

This settlement is subject to future Health Care Financing  
Administration clarifications and regulations which may retroactively  
affect it, and it may be revised at any time within the three-year  
period from the date of this notice.


**HAHNEMANN UNIVERSITY HOSPITAL**  
**390051 06/30/90**

The enclosures listed below are an integral part of this notice:

1. Right of Appeal
2. Adjustment Report Dated: February 24, 1997
3. Assessment of Interest--Public Law 97-248
4. Notice of Amount of Program Reimbursement Exhibit(s)  
(Applicable only to periods subject to PPS)

Should you have questions regarding the payment or the amount of overpayment, please contact your representative at our office.

Sincerely,

  
Dennis J. Phipps, Manager  
Provider Audit/Reimbursement  
Aetna Life Insurance Company

DJP:gmi  
Attachments  
CORPMT

# ***AHERF***

***Allegheny Health, Education  
and Research Foundation***

Suite 2900, Fifth Avenue Place  
Pittsburgh, Pennsylvania 15222

## **MEMORANDUM**

TO: David W. McConnell  
Executive Vice President and CFO

FROM: Stephen H. Spargo *SHS*  
Senior Vice President, Corporate Support Services

DATE: March 3, 1997

SUBJECT: MA Payments

When the State significantly reduced General Assistance benefits last year, they established a \$20 million "community access pool" to be distributed to those hospitals most adversely affected by the GA cuts. The State is now preparing to allocate these funds and has advanced a list of 33 eligible hospitals, which specifically excludes all academic medical centers, but does include AGH at \$1.4 million and Graduate at \$.9 million. Mr. Abdelhak's decision to support the State's allocation plan was undoubtedly based on a system-wide perspective. As such, I am proposing that these payments, when received, be recorded as additional reserves at AHERF and not be recorded as revenue at either AGH or TGH. I realize that \$2.3 million hardly qualifies for a windfall, but I do think that it may be of some benefit when we evaluate our system-wide reserve positions in the months ahead.

SHS:dlg  
030397.1

cc: Joe Dionisio  
Chuck Morrison  
Al Adamczak  
Dan Cancelmi



*3/3/97*

**ALLEGHENY HEALTH, EDUCATION AND RESEARCH FOUNDATION  
MEMORANDUM**

**DATE:** March 3, 1997

**TO:** Stephen H. Spargo  
Senior Vice President, Corporate Support Services

**FROM:** Joseph M. Scharf *JMS*  
Senior Director, Reimbursement

**SUBJECT:** FY96 Intern / Resident Analysis

---

Listed below is the impact of restoring the one year to the initial residency programs in FY96 for Graduate Medical Education (GME) purposes. Unfortunately, the amount for the Graduate Hospital cannot be determined as the Cost Report files lack proper documentation.

AGH	\$ 376,000
BCH	-0-
EPH	-0-
Forbes Regional	-0-
Forbes Metro	-0-
GHS, Osteopathic	-0-
HUH	500,000
MCP	233,000
Rancocas	-0-
SCHC	<u>3,000</u>
<b>TOTAL:</b>	<b>\$1,112,000</b>

Since the interpretation of the regulation became known after the November 30 Cost Report filing, the above should be considered as a reserve.

If you have any questions, please let me know.

JMS/laa  
scharf/0303971.MEM

cc: Al Adamczak  
Dan Cancelmi

Page: 1 Document Name: Session1

## SELECTED DETAIL DATA

01/23/97 1231

PT NO: 36270973 ALICEA, EDWIN MR NO: 0443302 ACCT TYPE: A  
 REG: 10/12/96 DSCH: 11/19/96 FC: G PT: S EXP IND: ACCT BAL: -970962.92

ACCT BAL G30 V  
 -970962.92 -970962.92

PAGE NO: 82  
 PT BAL  
 .00

SVC	POST	SVC CD	INS	CD-DESCRIPTION/COMMENT-REF DATE	AMOUNT
111996	111996	94837747	40	NIZATIDINE 150 MG	5.00
111996	111996	94841152	40	PHYTONADIONE 10MG	30.00
111996	111996	117	95	TELEVISION CHARGE	3.95
111996	111996	99300022	95	STATE TAX	.24
111996	111996	99300030	95	LOCAL TAX	.04
112096	112096	94018314	70	AIR/FLUID THER LAL	1974.00
121296	121896	94425642	01	NEUROPHYSIO TEST 0	889.00
121696	121696	91408427	65	FACTOR VIII	-1075344.00

! (PF14) SELECT ANOTHER PT ! (PF3) SELECT DTL ! (PF11) ACCT CASH  
 ! (PF15) RETURN TO PT OVERVIEW ! (PF10) ACCT CMNTS PF16 D/E  
 ! (PF6) PREVIOUS ! (PF8) BEGINNING  
 PAQDTL01

Dec 96  
 ADJ

\$1,036.00

HCH

Chas. Brown

ADJ

Hand Is in Schaefer's  
 CRA Acc.

Date: 1/23/97 Time: 12: